



LODI CITY COUNCIL

**Carnegie Forum
305 West Pine Street, Lodi**

"SHIRTSLEEVE" SESSION

Date: March 26, 2013

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

***NOTE:** All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.*

Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Receive Information Regarding Multiple Family and Non-Residential Water Meter Program (PW)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Receive Information Regarding Multiple Family and Non-Residential Water Meter Program

MEETING DATE: March 26, 2013 (Shirtsleeve Session)

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Receive information regarding multiple family and non-residential Water Meter Program.

BACKGROUND INFORMATION: At the October 23, 2012 Shirtsleeve City Council meeting, information was previewed in advance of public meetings to be held with property owners of apartments, condominiums, and mobile home parks. A public meeting was held on March 14, 2013 with property owners of apartments and condominiums and on March 19, 2013 with property owners of mobile home parks. Over 1,500 invitations to the public meetings were sent to property owners, homeowner associations, property management companies, and tenants. The following provides a summary of comments and questions presented at the public meetings. Invitations to this Shirtsleeve meeting have been sent to all attendees.

March 14, 2013 – Apartments and Condominiums

There were approximately 40 persons in attendance. Some of the comments and questions are re-stated below.

1. Why do we need to install meters now?
2. What will be the metered condition at my specific property?
3. It will be a lot of work for me to charge each tenant and collect from each tenant for their water use.
4. The City can continue to issue flat rate water bills to each unit.
5. The homeowner association is unable to raise sufficient funds to pay the property's water bill.
6. Seven comment cards were received from attendees requesting individual follow-up meetings or additional site-specific information. Copies of the comment cards are provided in Exhibit A.

March 19, 2013 – Mobile Home Parks

There were approximately 20 persons in attendance. Some of the comments and questions are re-stated below.

1. The City has always billed the tenants for water, wastewater and refuse. Is this the first step toward assigning to the property owner the obligation to pay for these utilities?
2. What is the staff recommendation for charging the tenants for their water usage that is proposed to be transferred to the property owners?
3. What is the planned implementation schedule for this transition to occur?

APPROVED: _____
Konradt Bartlam, City Manager

4. The usage at a couple of the mobile home parks appears to be low, and we request that you check the usage numbers.
5. No comment cards were received at this public meeting.

The following topics will be covered during the Shirtsleeve presentation. For each, staff's recommendation is provided. The discussion is intended to apply to apartment, condominium, and mobile home park properties, although most of the same issues will be present for commercial and industrial properties.

- A. **Property owner water meter charges** – The alternatives for charging the property owner for their water meter range from simply the purchase price of the meter assembly up to the full cost for purchase and installation of the meter assembly. Staff recommends setting the charge, similar to the charge for the residential meters, at the purchase price of the meter assembly (meter, register and ERT) plus 55% for the meter box, lid and a portion of the installation cost. The full range of alternative pricings is provided in Exhibit B.
- B. **Right-sizing water meters** – Determining the correct size of the meter required to serve a particular property is part experience, science and confirmation after installation. The automated meter reading system contains a module that will analyze peak hourly, diurnal and daily water use information. Once a meter larger than $\frac{3}{4}$ inches in size is installed, staff will analyze the meter readings and confirm the proper size meter has been installed. Change out of the meter equipment will be made as necessary during the year when comparative billing information is provided to the property owner. Changing the meter will not materially affect the comparative billing information.
- C. **Monthly base charge for oversized meters** – There are a few apartment and condominium properties that will require oversized meters due to the presence of fire hydrants on the internal distribution pipelines. This may also be the case for some commercial and industrial properties. This is certainly the case for one mobile home park where two 8-inch meters have been installed. Staff recommends, in the case where oversized meters are required, the property owner meter charge and the monthly base charge be based upon the right-sizing analysis discussed in B. above.
- D. **Vacant unit water and wastewater charge** – Staff recommends the vacant unit water and wastewater utility charge for residential customers without a metered service be equal to the monthly base charge for metered customers having the same size of meter in their future service. There would not be a specific vacant unit charge for the following customer classes as explained.
 - Vacant single family detached with meter – customers would pay the monthly base rate and presumably there would be no usage and, therefore, no usage charge.
 - Vacant single family attached (duplex, triplex, fourplex – master meter) – customers would pay the monthly base rate and usage charges for the occupied units.
 - Vacant single family attached (duplex, triplex, fourplex – individual meter) – customers would pay the monthly base rate and presumably there would be no usage and, therefore, no usage charge.
 - Vacant apartment/condominium (master meter) – customers would pay the monthly base rate and usage charges for the occupied units.
 - Vacant apartment/condominium (individual meter) – customers would pay the monthly base rate and presumably there would be no usage and, therefore, no usage charge.

- Vacant mobile home (master meter) – customers would pay the monthly base rate and usage charges for the occupied units.
- E. **Water and Wastewater charges for common area meters** – Within an apartment or condominium property there are common areas with landscape, pool, meeting room, laundry and other facilities. In some cases, a meter may only service landscape areas and, therefore, there should not be a wastewater charge associated with that meter. In other cases, where the meter services facilities that generate wastewater, there should be a wastewater charge associated with that meter. Staff recommends, at the time of meter installation, the common landscape area meters will be coded to reflect their exclusion from paying wastewater charges.
- F. **Comparison billing examples** – A series of billing comparisons for apartment, duplex and mobile home park properties is provided in Exhibit C. In all cases, the total usage based monthly charges are less than the current cumulative total of the flat rate water billing to the individual tenants.
- G. **Implementation of usage based billing to mobile home park properties** – Staff recommends that usage based water billing to mobile home parks begin in January 2014. City of Lodi forces installed water meters in 2012 on all water services to the seven mobile home park properties in Lodi. The comparative billing information was provided to the mobile home park property owners at the recent public meeting and will continue to be provided through the rest of 2013. One missing piece of information important to these property owners is the charge for the water meter purchase and the payment terms. This implementation schedule allows sufficient time to adjust rents by the property owner. State law requires delivery of usage based billing following one year of comparative billing information.
- H. **Implementation of usage based billing to apartments and condominium properties** – Few water meters have been installed on water services to these properties. The installation is scheduled to begin in 2013 and conclude in 2014. Staff recommends that usage based billing to apartment and condominium properties with master metering arrangements begin in January 2016. In the 2015 year, comparative billing information will be provided. Extra transition time to usage based billing is recommended to allow for homeowner associations to adopt and implement new dues structures for these organizations.
- I. **Water conservation plan** – Staff is developing a water conservation incentive program patterned after those by other cities and the Lodi Electric Utility conservation program. A list of water conserving practices has been prepared and is provided in Exhibit D. Copies have been distributed at the public meetings.
- J. **Fire protection water usage charge** – Staff recommends that property owners not be charged for water used to suppress structure fires. This would not include water discharged in the process of flushing or flow testing onsite fire hydrants, which is a maintenance activity.
- K. **Recommended master meter billing solution** – The simplest solution to transition from flat rate billing at the tenant level to a usage based billing at the property-owner/homeowners association level is to include the tenants' water cost in the rent. The simplest approach is to increase the tenant monthly rent by the amount of the current flat water rate charge (1 bedroom = \$25.67 and 2 bedroom = \$30.79). As presented in F. above, this results in a net increase in revenue to the property owner.

After meter installation, comparative billing information will be provided to the owner of the master meter(s). This could be the property owner or property manager of an apartment property or the homeowners association representing a condominium or townhome property. The information provided will enable an informed decision as to the amount of the rent increase needed to cover the additional cost to the owner of the master meter and the usage based water bill.

- L. **Property owner alternative billing solution** – State law requires the City issue a usage based water bill to the customer with a service connection on which a meter has been installed. It is proposed that the metered customer would not pay the above mentioned water bill and that the City continue to issue flat rate water bills to tenants. At the end of the year, the City would issue either a credit to the tenants (assuming there has been an overcharge as presented in F. above) or issue a true-up bill to the property owner for any underpayment. This represents a substantial amount of work for the City in consideration of the fact there 4,358 apartment units and 1,117 condominium units in Lodi. Every month's bill would need to be processed twice – once for the charge and again to process the rebate. This is further complicated by tenant turnover and service terminations during the year.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

FWS/pmf
Attachments

Comment Card

Today's Date: 3-14-13

Comments:

Wally, enjoyed the presentation; you did a good job of explaining the Hook Ed at Rivergate Commons and drew "the short straw" so I attended the meeting. Please look-up 1142 Rivergate Drive and let me know what the City's plans are for Residential Meters for our Condo. Thanks Dennis Duffy 209-366-1241

Name: L. DENNIS DUFFY

Address: 1142 RIVERGATE DR #19

Phone #: 209-366-1241

Email: dingduffy@yahoo.com

Please mail comment card to: **City of Lodi Public Works Department**
P. O. Box 3006
Lodi, CA 95241-1910

Comment Card

Today's Date: 3/14/13

Comments:

Additional Information
 regarding Town & Country Park
 West Turner & Rutledge

Name: Lori Bunnell

Address: Katzakian Property mgmt.

Phone #: 476-4450

Email: _____

Please mail comment card to: **City of Lodi Public Works Department**
P. O. Box 3006
Lodi, CA 95241-1910

Comment Card

Today's Date:

3/14/13

Comments:

More information regarding
Down & Country Park
Turner Rd & Burtledge

Name :

Linda Fortuna

Address :

1957 Colombard Cir

Phone # :

334-3703

Email :

Please mail comment card to: City of Lodi Public Works Department
P. O. Box 3006
Lodi, CA 95241-1910

Comment Card

Today's Date:

3/14/13

Comments:

We live in a PUD / Condo's at Beckman
Estates. I would like to have a better
understanding on number of mains entering
these units. What is supplying the common
interest areas. There is a concern that the
city is not responsible for Branch lines
into individual units.

Name :

Gary McKenny / Elaine Neal

Address :

509 Branding DR.

Phone # :

209-224-8115

Email :

ELAINE94A2@COMCAST.NET

Please mail comment card to: City of Lodi Public Works Department
P. O. Box 3006
Lodi, CA 95241-1910

Comment Card

Today's Date: _____

Comments:

You did a great job in a very difficult situation!! Thank you.

Name: Donna Gedde
Address: 1712 LeBee Ct.
Phone #: 369-5590
Email: _____

Please mail comment card to: **City of Lodi Public Works Department**
P. O. Box 3006
Lodi, CA 95241-1910

Comment Card

Today's Date: 3/14/13

Comments:

PLEASE RE CONSIDER BILLING TENNANT RATHER THAN PROPERTY OWNER/LANDLORD. FOR OUR OFFICE IT WOULD BE FAR TOO HARD TO MANAGE. I WOULD LIKE TO MEET 1 ON 1 TO EXPLAIN ANY CONCERNS IF POSSIBLE. THANK YOU.

Name: DUSTIN W. TAUNTON
Address: 1313 W. LOCKEFORD ST. LODI 95242
Phone #: (209) 369-3623
Email: BASSPLYR1@COMCAST.NET

Please mail comment card to: **City of Lodi Public Works Department**
P. O. Box 3006
Lodi, CA 95241-1910

May already

Comment Card

Today's Date: 3/14/13

Comments:

- 1) 185 units, 1, 2 & 3 bedrooms, Condominium complex
I own one unit, which I rent. Can there be individual
meters there? 2401 Eilers
- 2) My residence is a condo in a 16-unit complex. It has
2 buildings. Do we have more than one service there?
- 3) Vacant unit change structure - take condos into account whether
master or individually metered.

Name: Patricia Birkes

Address: _____

Phone #: 209 339-8679


Email: _____

Please mail comment card to: **City of Lodi Public Works Department**
P. O. Box 3006
Lodi, CA 95241-1910

Exhibit B

Meter Charge Alternatives

Meter Size	Capacity Factor	Purchase Price	Capacity Based	Price Based	Installed Cost	Lodi Fee Schedule	Santa Clara Fee Schedule
¾	1	\$194	\$300	\$300	\$940	400	370
1	1.67	\$226	\$500	\$350	\$1,415	480	365
1 ½	3.33	\$506	\$1,000	\$780	\$3,810	745	1,565
2	5.33	\$624	\$1,600	\$1,105	\$5,715	930	1,730
3	10	\$1,381	\$3,000	\$2,140	\$5,950	N/A	2,065
4	16.67	\$2,488	\$5,000	\$3,860	N/A	N/A	4,130
6	33.33	\$4,711	\$10,000	\$7,300	N/A	N/A	6,750
8	53.33	\$8,027	\$16,000	\$12,440	N/A	N/A	10,670



Sand Creek Apartments 230 Units

Month	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Feb-13	19 – 2" 2 – 3"	47525	\$2,078.12	\$3,797.90	\$1,719.78
Sep-12	19 – 2" 2 – 3"	117565	\$2,722.49	\$3,797.90	\$1,075.41



Avenue West Apartments 26 Units

Month	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Mar-13	2	10470	\$171.59	\$795.42	\$623.83
Feb-13	2	10060	\$167.82	\$795.42	\$627.60
Jan-13	2	8880	\$156.97	\$782.50	\$625.53
Dec-12	2	9500	\$158.93	\$776.04	\$617.11
Nov-12	2	10140	\$164.69	\$776.04	\$611.35
Oct-12	2	12652	\$187.30	\$776.04	\$588.74
Sep-12	2	13918	\$198.69	\$776.04	\$577.35
Aug-12	2	11820	\$179.81	\$776.04	\$596.23



Duplex at 1127 Dover Drive

Month	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Mar-13	2	No data			
Feb-13	2	941	\$32.43	\$71.82	\$39.39
Jan-13	2	1841	\$40.72	\$71.82	\$31.10
Dec-12	2	1475	\$36.48	\$70.06	\$33.58
Nov-12	2	1877	\$40.09	\$70.06	\$29.97
Oct-12	2	2627	\$46.84	\$70.06	\$23.22
Sep-12	2	2437	\$45.13	\$70.06	\$24.93
Aug-12	2	2538	\$46.04	\$70.06	\$24.02



Casa de Lodi

Month	Meter Size	CF Usage	Comparison Charge	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Mar-13	8			8	34800	\$576.07	\$6,160.80	\$5,584.73
Feb-13	8	130500	\$1,456.51	8	32600	\$555.83	\$6,160.80	\$4,148.46
Jan-13	8	116000	\$1,323.11	8	35900	\$586.19	\$6,160.80	\$4,251.50
Dec-12	8	107500	\$1,217.17	8	34800	\$562.87	\$6,009.60	\$4,229.56
Nov-12	8	129900	\$1,418.77	8	50700	\$705.97	\$6,009.60	\$3,884.86
Oct-12	8	140462	\$1,513.82	8	89700	\$1,056.97	\$6,009.60	\$3,438.81
Sep-12	8	145144	\$1,555.96	8	82300	\$990.37	\$6,009.60	\$3,463.27
Aug-12	8	140462	\$1,513.82	8	90600	\$1,065.07	\$6,009.60	\$3,430.71
Jul-12	8	149826	\$1,598.10	8	99000	\$1,140.67	\$6,009.60	\$3,270.83
Jun-12	8	140462	\$1,513.82	8	89239	\$1,052.82	\$6,009.60	\$3,442.95
May-12	8	191964	\$1,977.35	8	69161	\$872.12	\$6,009.60	\$3,160.14



The Palms

Month	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Mar-13	2	1672	\$90.65	\$1,052.47	\$961.82
Feb-13	2	1840	\$92.20	\$1,052.47	\$960.27
Jan-13	2	1912	\$92.86	\$1,052.47	\$959.61
Dec-12	2	1998	\$91.41	\$1,026.64	\$935.23
Nov-12	2	2191	\$93.15	\$1,026.64	\$933.49
Oct-12	2	2236	\$93.55	\$1,026.64	\$933.09
Sep-12	2	2396	\$94.99	\$1,026.64	\$931.65
Aug-12	2	13517	\$195.08	\$1,026.64	\$831.56



Almond Drive Estates

Month	Meter Size	CF Usage	Comparison charge	Flat Rate Billed Amt	Difference
Mar-13	3	51300	\$577.34	\$2,181.95	\$1,604.61
Feb-13	3	41100	\$483.50	\$2,181.95	\$1,698.45
Jan-13	3	44800	\$517.54	\$2,181.95	\$1,664.41
Dec-12	3	43800	\$497.01	\$2,128.40	\$1,631.39
Nov-12	3	56500	\$611.31	\$2,128.40	\$1,517.09
Oct-12	3	77000	\$795.81	\$2,128.40	\$1,332.59
Sep-12	3	84271	\$861.25	\$2,128.40	\$1,267.15
Aug-12	3	102329	\$1,023.77	\$2,128.40	\$1,104.63




Lake Park

Month	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Mar-13	2	1607	\$90.05	\$872.78	\$782.73
Feb-13	2	1738	\$91.26	\$872.78	\$781.52
Jan-13	2	1568	\$89.70	\$872.78	\$783.08
Dec-12	2	1515	\$87.07	\$851.36	\$764.30
Nov-12	2	1590	\$87.74	\$851.36	\$763.62
Oct-12	2	1834	\$89.94	\$851.36	\$761.42
Sep-12	2	18210	\$237.32	\$851.36	\$614.04
Aug-12	2	14630	\$205.10	\$851.36	\$646.26
Jul-12	2	16160	\$218.87	\$851.36	\$632.49
Jun-12	2	14710	\$205.82	\$851.36	\$645.54
May-12	2	6770	\$134.36	\$851.36	\$717.00



Shady Acres

Month	Meter Size	CF Usage	Comparison Charge	Flat Rate Billed Amt	Difference
Mar-13	2	1491	\$88.99	\$1,103.81	\$1,014.82
Feb-13	2	1508	\$89.14	\$1,103.81	\$1,014.67
Jan-13	2	1597	\$89.96	\$1,103.81	\$1,013.85
Dec-12	2	1616	\$87.97	\$1,076.72	\$988.75
Nov-12	2	1805	\$89.68	\$1,076.72	\$987.05
Oct-12	2	3228	\$102.48	\$1,076.72	\$974.24
Sep-12	2	4412	\$113.14	\$1,076.72	\$963.58
Aug-12	2	3172	\$101.98	\$1,076.72	\$974.74
Jul-12	2	3219	\$102.40	\$1,076.72	\$974.32
Jun-12	2	2766	\$98.32	\$1,076.72	\$978.40
May-12	2	1894	\$90.48	\$1,076.72	\$986.24
Apr-12	2	1560	\$87.47	\$1,076.72	\$989.25
Mar-12	2	1742	\$89.11	\$1,076.72	\$987.61
Feb-12	2	1880	\$90.35	\$1,076.72	\$986.37



Cherokee Park

Month	Meter Size	CF Usage	Comparison Charge	Meter Size	CF Usage	Comparison charge	Flat Rate Billed Amt	Difference
Mar-13	2	8200	\$150.71	1 1/2	217	\$62.24	\$1,103.81	\$890.86
Feb-13	2	8280	\$151.45	1 1/2	239	\$62.44	\$1,103.81	\$889.93
Jan-13	2	8210	\$150.80	1 1/2	194	\$62.02	\$1,103.81	\$890.98
Dec-12	2	9520	\$159.11	1 1/2	198	\$60.55	\$1,076.72	\$857.06
Nov-12	2	11800	\$179.63	1 1/2	279	\$61.28	\$1,076.72	\$835.81
Oct-12	2	13310	\$193.22	1 1/2	405	\$62.42	\$1,076.72	\$821.09
Sep-12	2	12220	\$183.41	1 1/2	528	\$63.52	\$1,076.72	\$829.79
Aug-12	2	13890	\$198.44	1 1/2	574	\$63.94	\$1,076.72	\$814.34



Easy Ways to Reduce Water Use

Indoors – Year Round Savings

- 💧 Find and fix all leaks, especially toilet leaks, replace their flappers.
- 💧 Install water-saving devices like low-flow showerheads and faucet aerators.
- 💧 Consider buying a frontloading clothes washer to save water and energy.
- 💧 Consider buying a High Efficiency Toilet (HET), which uses 1.28 gallons or less per flush.
- 💧 Take advantage of Lodi's rebates on new High Efficiency Toilets, shower heads, etc.
- 💧 Take shorter showers, cut your shower to 4 minutes to save around 2,700 gallons per year.
- 💧 Don't leave the water running when brushing your teeth, washing your hands, shaving, or doing the dishes.
- 💧 Run dishwashers and clothes washers with full loads only, or adjust the water level to match the size of the load.
- 💧 Use the garbage disposal only if you must.
- 💧 Use the wastebasket, not the toilet to dispose of trash.



Outdoors – Watering & Gardening

- 💧 Attach a nozzle with a shutoff valve to the end of your hose.
- 💧 Apply water only as fast as the soil can absorb it. If you notice runoff, divide the watering time into two cycles to allow the water time to soak in.
- 💧 Consider installing drip irrigation to apply water slowly and directly to the roots of the plants.
- 💧 Water your garden in the morning to give the water time to soak into the ground before wind and the heat of the sun cause it to evaporate.
- 💧 Water to the depth of the plant roots (about 6 inches for lawns, 9 inches for ground cover, 12 inches for shrubs, and 18-24 inches for trees).



- 💧 Use a soil probe (or dig down in the plant's root area using a trowel) to determine if you are watering properly.
- 💧 Water your garden only when it needs it. It is time to water the lawn when it doesn't spring back when walked on.
- 💧 Aim your sprinklers to water your garden, not the sidewalk or other paved areas and check your sprinkler system for problems regularly.
- 💧 Adjust your watering schedule with the weather and the season. If you have an automatic system, remember to turn it off in the winter.
- 💧 Plant water-conserving plants.
- 💧 Group thirsty plants together, away from un-thirsty ones and adjust your watering schedule as your garden matures. Newly planted landscapes need water more frequently than mature ones.
- 💧 Improve your soil by incorporating organic matter. This aerates your soil, and improves its ability to hold water.
- 💧 Prevent weeds from stealing water from your garden by pulling them promptly and applying mulch regularly.
- 💧 Mow grasses higher, between 3 to 4 inches, to reduce water loss.
- 💧 Fertilize less often, only in the spring and fall. Fertilizing encourages rapid plant growth and thirsty plants. California native plants don't need fertilizing.
- 💧 Aerate the lawn by punching holes in the soil. This improves the movement of water into the root area and reduces wasteful runoff.

Outdoors – Other Activities

- 💧 Use a broom, not a hose, to clean driveways and sidewalks.
- 💧 Cover pools and spas, and cut water loss by 90%.
- 💧 Don't let the hose run while you wash your car; use a bucket and nozzle with a shut off valve on your outside hose.

